

Human Events *A Weekly Analysis for the American Citizen*

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WESTWARD HO!

by Edna Lonigan

One tribulation in these days of wrath is listening to those, not excluding the President, who say that the United States must copy the planned economy and queue society of Soviet Russia, because of the "challenge of Communism".

This argument is fantastic to anyone who knows the pitiful condition of the Russian workers, but it is important as a symptom of the sickness of our minds. What has happened to the spirit of America? As a little nation, we defied the strongest Powers of Europe to impose their system on any part of our hemisphere. Now with unrivaled material strength, we apologize and adjust. We let our principles leak away.

The American people do not behave as if they had just won a world war. This is not because the problems abroad are so difficult. The essential change has taken place at home. We behave as if we had been defeated because, although we were militarily successful, we have been defeated politically. On November 17 President Truman said in so many words that we can only win "enduring peace" by abandoning the principles on which freedom rests.

Our position today resembles in many ways that of Great Britain after the overthrow of Napoleon. Britain, too, had led and financed a great coalition. It had provided supplies and transportation, fighting men and generalship. Public finances were strained, and the people discontented. The government was entangled in a "Holy Alliance", which the victorious rulers had set up to manage the world.

In a few years Great Britain extricated itself from its hazardous position. By turning back to the heritage of liberty, that nation quickly gained both wealth and moral pre-eminence, and gave peace to the world for a hundred years.

Can the American people find their way back from the political and economic jungle in which they are now lost, and bring peace to themselves and to the world for a hundred years? We are not the kind of people who can maintain a cold balance of power, nor plan long and devious campaigns to get our way. Americans are quick, active, ideal-

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istic. They want to go forward, and go forward with elan. Blocked in that desire, they accomplish nothing.

But if Americans once realized that a new and happy world is not necessarily far way, and that they alone can bring it to birth, they would give every ounce of their strength to the task, and would accomplish far more, with joy and hope, than they can accomplish on the present road with heavy anxiety.

II

The favorite argument of the American collectivists is that the system of Adam Smith and Thomas Jefferson was a good system, but "capitalism" has changed, and new answers are needed for a new day. National Socialism is brought forward as the answer.

This argument has a curious power to put believers in liberty on the defensive. Who knows, perhaps our system really is not equipped to solve the perplexing problems of the Twentieth Century? The advocates of State guidance are so confident, perhaps they are right!

But our American way of life was not devised by Adam Smith or Thomas Jefferson. They were, as many of us are, the spiritual descendants of the English seafarers who, venturing out from their sunless island in search of a livelihood, began by groping through the waters close to Europe, and ended by creating a new kind of society.

Because England was an island, the people were safe from invasion. Therefore, they early refused to give the king a standing army, and thus limited his power. But the real strength of the people came from the fact that so many left their safe fields and towns, and went forth where there was no one to help them but themselves.

These little companies of seamen, from mediaeval towns and villages, learned how to manage new and strange employments, in which the penalty of failure was death. By trial and error they learned how to plan their enterprises -- and how to carry out their plans. They learned how to work with their fellows, how to organize private "ventures" with only their own resources. "It couldn't be done, but they, poor fools, didn't know, and they went ahead and done it."

Thus the English made out of their bitter necessity the greatest political invention of all time -- the voluntary collective, in which private citizens could pool their own money, and work together, without the use of taxes, or the need for force. The ocean of the future could be explored, voyage by voyage.

The voluntary collective, or free association, is the instrument of free men, as the State collective is the instrument of slaves, toil-

ing to build pyramids under the lash of a dictator. The free collective serves the individual because no man can be compelled to join, or forbidden to leave. The free collective lasts only as long as it serves its members, because it cannot get money or power except from them.

The people who learned to sail the margins of the world, became the "middle classes" of England. The seafarers insisted on the same co-operative liberty at home that they had enjoyed at sea. When Charles I tried to set up a planned economy, with an able elite, the people rose and the king's head fell.

The institutions of America do not root in "capitalism" or the factory system. They are our heritage from the seafarers.

III

Only in Britain and the United States was the national state formed by an outburst of energy among uncoerced individuals. On the Continent, without the sea to hamper invasion, the rulers had a head start. They could take a good share of the wealth because of their power. They built up a palace elite, to raise taxes, and to increase welfare so that there would be more to tax. The ruler did the planning.

The "new" welfare state of today's social reformers is not new. It is the continental state, with the same power of the ruler over money, the same palace elite who decide how to spend it, the same "security" for the people at the price of liberty, the same effort to keep the people dependent, by foreign war if necessary.

How could anyone from the free countries be induced to approve this costly, rigid, arbitrary government? The military victories of the German Empire gave prestige to the idea of strong government, just when the problem of unemployment required bold and original thinking. In 1913 England took over state social insurance from Germany. After the First World War she took tariff protection, and then cartels, and after the Second, peacetime conscription and Socialism entire. Our planners follow the same reactionary road, with the single difference that they advocate controls and rationing in the name of freedom!

The present retreat from freedom has not taken place because freedom failed. All the social gains have come from the free countries. People are surrendering liberty because, as Mill says, those who inherit a creed without having to pay a price for it never gain the fervor and deep understanding of those who have struggled for what they prize. Americans are giving up liberty because they have lost the vision their ancestors had as they sailed toward the future in their little craft, protected by nothing but their own brave hearts and open eyes.

IV

Madam Sikilianos said some years ago that the human race is engaged in deciding whether it is to become like the bees or the birds. Americans are reluctantly yielding to the pressure to become a hive, a rigid state collective, because they do not see that it is equally possible to soar.

We can settle into a police state, spotted with black markets, or we can again set out into the Unknown, repeating the miracle of the English seafarers. This is simply the discovery that if people will free themselves from the shackles of government, and look about them, they can quickly form their simple voluntary collectives through which they can accomplish every thing they need.

It must be admitted frankly that if we choose freedom, the way will be hard, though the end is glorious. Freedom will be hard to regain today because, for one thing, we live in a world that is closing in, not opening out. We no longer have a low ratio of men to land. The design for the free society was worked out in the expanding universe opened up by Columbus. Now that world has shrunk. Men fight each other in Europe and Palestine partly because they see no New World to let them in.

We have new problems. The world of chemical industries and atomic power plants is as integrated as the world of oceanic trade was dispersed. Great cities are not favorable, as were seafaring and pioneering, to the habit of free association. We need not only a new Columbus, but a new Adam Smith and a new Jefferson, to do the impossible, as they did it.

The prize is not only liberty but peace. The free society is the only peaceful society. The strong government has never produced welfare. It produces wars. It was designed to produce wars.

But there is a New World for those who are willing to sail toward it bravely. America can recreate the free society, the peace economy, working through voluntary collectives of free men. We need only decide that everything we do, at home or abroad, shall fit into that pattern.

We must, like the Elizabethan seafarers, forego the patronizing, debilitating help of centralized government, and learn to use our own strength. Then, instead of offering Europe and Asia a watered-down version of the discredited welfare state, we can urge them to join us, in the bold, fearful, hazardous voyage into the Unknown, with nothing but courage, compass and the stars as guide.

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By Frank C. Hanighen

November 19, 1947

The President has asked Congress for what he termed only a month ago "police state powers". Despite several coaxing words and phrases, such as "temporary", "highly selective", etc., Truman's program really means planned, regimented economy in peacetime. Such a system satisfies the definition he clumsily offered a month ago, to the embarrassment of his advisers who were then framing the program which he now presents to Congress.

From the standpoint of combatting inflation, the Truman program makes no sense. As the President himself pointed out in October, 1946, he cannot control one basic product without controlling others. If his scheme seems likely to achieve statutory enactment, producers and consumers will push prices higher by the age-old reactions to such regimentation. The wheat market closed 3 cents higher after his speech.

We talked to a farmer-Congressman from the Middle West following the speech, and asked him what farmers would do if grain were to be placed under price control. "My neighbors and myself", he replied, "aren't worrying too much -- and I believe that goes for most farmers. We've all made plenty of money in the past few years. We can afford to give our soil a rest, after the pushing of the last six years. We'll cut down grain acreage, plant sweet clover and alfalfa, get out the nitrogen. And then there's soy beans -- there's a great future in that crop. But, as I hear it, people don't eat many soy beans. Yes, if grain controls go on, there won't be so much wheat and corn going to market. And if they control meat, there won't be so many chops and steaks in the butcher shops."

The program, of course, was not inspired by economic considerations. The Capital quickly recognized that its real intent was political. There arose immediately an undercurrent of Republican talk to the effect that Congress should give the President what he asked for; with the expectation that the ensuing mess would then be laid at his door during election year. Taft's cogent speech on the radio (November 17) put the speech and the real issues confronting Republicans back into their true perspective.

Dopesters, however, scanned the horizon to see how the people took it. And political reporters studied the reactions of key Members of Congress. The Democrat Harry Byrd opposed the Truman program, it is true; but "he's always against controls, whether the public will accept them or not". A better weather vane is the Republican Senator Arthur Capper (Kansas), who usually shows a keen sense for trends of public opinion, and is no party regular. Capper's reaction to Truman's plan was negative; he opposed it as "sugar-coating" for a regimented economy.

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Walter Reuther's signal victory in the United Auto Workers Union should not be considered separately from the situation in the CIO, as has been the tendency of too many commentators. It was more than a triumph over the UAW Communists. It sounded their doom in the CIO.

At the Boston convention a month ago, the picture was not yet clear. The Communists were able to check President Murray's evident desire to take an all-out anti-Communist policy. The large, dominating unions were unable to close ranks against the Reds. These unions are (by industries) as follows: steel, textiles, rubber, autos, oil and electricity. Steel, textiles, rubber and oil had anti-Communist administrations. But the electrical workers union was dominated by pro-Communists. The auto workers, at the time, had not held their crucial election, and control remained in doubt. Hence, the anti-Communist leaders were not strong enough to force their policy through the convention at Boston.

But today, with the auto workers union completely in anti-Communist hands, the balance in the CIO has tipped way over to the Right. Alone, the electrical workers

union remains in opposition. Labor experts believe there are only two courses open for that union: (1) overthrow of the Communist leadership by the rank and file; or (2) decimation, by the various locals leaving the national union. Meanwhile, with the anti-Communists in power, the ousting of the Communists and their friends from the national organization of the CIO is in the cards.

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The importance and background of the Dalton affair in Britain has been under-emphasized and inadequately explained on this side of the Atlantic. It is not in any sense of the word a "scandal", as Americans understand the word. It is an event fraught with political significance.

Dalton's mistake in revealing details of the budget to a newspaper reporter just before he made his speech offers no parallel to the "Jimmy" Thomas scandal of a decade ago. When Thomas, a Cabinet officer, leaked details of the budget to certain vested interests, the latter seized the opportunity to profit thereby. No one profited financially from Dalton's disclosure. But Dalton's foot slipped, and Premier Attlee acted -- for a very human reason.

Last summer, we are informed, the ambitious Dalton went to Ernest Bevin and proposed a cabal to oust Attlee and to make Bevin Premier. Bevin refused and tattled to Attlee. Last week Attlee had his opportunity for revenge and took it. The result, however, cannot give Labour Party leaders much satisfaction. Dalton's departure from the Cabinet means that he will become a "back bencher", and a formidable one. He is an excellent speaker and Parliamentarian, and is expected to lead the Left Wing of the party in criticism of the Government. It would have been better for the Government if it had been able to give him another Cabinet post.

Nor is Dalton's replacement by Sir Stafford Cripps an unmixed blessing. Cripps, it is believed, will pursue a stronger and stiffer austerity program than Dalton would have, with consequent rise in popular discontent. It is also the opinion of some M.Ps. that Cripps in shouldering two portfolios -- the Treasury and Economic Affairs -- is trying to do too much. It will break him, and possibly the Government as well. Those who recently predicted that the Tories will be in power within six months, are advancing the date.

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The dismantling policy in Germany has now produced a cause celebre. The German people's resentment stayed within reasonable limits while machine-tool factories, chemicals and other peacetime exporting plants were shut down. But when the Germans -- traditionally proud of their cleanliness -- face loss of soap as a result of dismantling, the wave of protest has no bounds. "Every housewife in Germany is up in arms over the scheduled removal of that part of the Henkel works in Dusseldorf that produced a well-known brand of soap powder called 'Persil'. Everyone is short of soap and soap powder and the fear of disease and epidemics is a constant worry to families with children. To them soap is a vital necessity" -- so reports the New York Sun correspondent on October 29.

The story behind the project for dismantling not only the Henkel works but also the Persil plant in Hamburg hardly speaks well for "decartelization" in Germany. The Persil soap company is a wholly German-owned independent concern and in pre-war years battled with a trust in Germany owned by a British firm. It is true that during the war the Hamburg Persil plant produced explosives; but so did some of the factories of its big competitor. Today, the Persil firm faces extinction; while the British-owned plants run no danger of dismantling.

As a matter of fact, British interests are not the only ones profiting from this occupation policy. It has not gone unnoticed that a very large proportion of

non-military machine-tool factories have been ordered dismantled. This is ascribed to the influence of American machine-tool firms, which in pre-war years encountered vigorous competition abroad from German machine-tool exporters.

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We present the following view from an "old China hand", an anti-Communist and pro-Nationalist, with a rich background of knowledge of Chinese economy and politics:

"It would be unfortunate if, as a result of growing disapproval of Marshall's policy towards China, there were to arise a popular demand for a large-scale Government loan, running into billions. Much of this would be wasted, and it is really unnecessary. What China needs more than anything else in its fight against inflation and Communism, is 'confidence'. The United States could create such 'confidence' by a frank and open reversal of the Marshall policy, by an official affirmation that the Truman doctrine applies just as much to China as to other areas.

"The results of such a statement would be immediate. The Chinese Government at last would know 'where it stands' and could go ahead with hitherto delayed plans. Private business could begin to plan for the future. The currency deterioration would be checked. And military forces would enjoy improved morale.

"As a matter of fact, China should not have to seek a U. S. Government loan. If confidence is restored, China should be able to obtain financial assistance from private American investors. American capital might well be attracted by the high rates of interest prevalent in China.

"It is gratifying, of course, to hear of increased American military assistance to China. But I do not believe American failure to provide munitions would prove as disastrous as some observers claim. My information is that transport in Manchuria is so bad that the Communist forces cannot make much progress. Only if Russia should provide a full-scale military transport pool would the Communists be able to push their attack successfully. Under present conditions, it looks to me like a two years' war, at least. Of course, I would applaud the sending of munitions and American military training cadres. But the immediate problem is diplomatic, not military or financial. A complete and official reversal of the Marshall policy towards China must be the basis of aid to China."

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Princess Elizabeth's wedding was billed as ultra-democratic. A Washington housewife, a Mrs. Guerrieri, whose husband is a District employee was invited and transported to the ceremony by plane. There were, however, gaps in the guest list -- a certain uncle and aunt of the bride, for instance. Another, less publicized omission was the failure to ask the groom's sisters. A friend who is up on his Almanach de Gotha (which we aren't) informs us that the sisters were not invited because they are married to Germans and are German citizens. He says:

"The sisters are: Margarete, married to Prince Gottfried von Hohenlohe-Langenberg; Theodora, married at Baden-Baden in 1931 to Markgrave Berthold of Baden (heir to the throne of the Grand Duchy of Baden); and Sophie, married at Kronberg (Hesse) to Prince Christopher of Hesse. All three sisters lived in Germany throughout the war. The Almanach de Gotha listed them in 1941 as living respectively at Langenberg (Wuerttemberg), Salem (Baden) and Berlin-Dahlem. Time was when such matters did not affect the relations between royal houses. But the present House of 'Windsor' (Saxe-Coburg-Gotha) apparently found it impossible to invite the closest relatives of the groom. In short, if British royalty has obliterated the 'class' line, it draws a very definite 'racial' or at least 'nationalistic' line -- probably on orders from the 'anti-racial' and 'internationalist' Labour Government".

Book Events

Last Chance in China, by Freda Utley. Indianapolis, Indiana: Bobbs-Merrill Company, \$4.00. Reviewed by J. M. Lalley.

The moral of Miss Utley's informed and earnest but rather prolix and amorphous study of contemporary China is at once plausible and disquieting. She tells us that unless the present ambivalence of American policy in the Far East is abandoned for something positive and consistent, we may anticipate the triumph of Communism not only in China but in the whole of Asia and ultimately, indeed, throughout the world. It is pretty widely believed in Washington that this is also the tenor of the report by General Wedemeyer, which the Truman Administration stubbornly refuses to make public. However that may be, Miss Utley makes it clear enough that it was General Wedemeyer's success in working with the Nationalist Government, and the unique confidence he was able to obtain from Generalissimo Chiang Kai-shek, that earned him the enmity of the Communists and their fellow travellers both in China and in Washington which was powerful enough to prevent his nomination as Ambassador. But as long as Wedemeyer remained in China he was, says Miss Utley, an obstacle to the forces which are impelling that unhappy land into "Chaos or Communism".

These forces, it seems, were accelerated by General Marshall during his famous and futile mission to China in 1946. General Marshall made peace and collaboration between Nationalists and Communists the price of American assistance to China, and in pursuit of this policy obliged Chiang -- who at the time had the Communists on the run in Manchuria -- to accept a series of truces and armistices which somehow worked invariably to the advantage of his adversaries. Secretary Marshall's education in the new diplomacy was, if we may trust Miss Utley, even slower and more expensive than that of Mr. Byrnes; for even after his return from China he retained the illusion that "the Communist Party is just an ordinary political party composed of men of varying views".

Miss Utley could have told him better. Her own education was by tragic personal experience. She is a ci-devant Communist, whose harrowing disenchantment is described in an earlier book called A Dream We Lost. But when she went to China in 1928, ostensibly as a correspondent for the Manchester Guardian, she was actually a secret agent of the Comintern. At that time she became acquainted with most of the leading Chinese personalities on both sides. She renewed and expanded this acquaintance when she returned to China in the early years of the Japanese war, and again in October, 1945. She is evidently well read in Chinese history and speaks in a tone of some authority. She is at particular pains to dispell two legends that have somehow gained great currency in official quarters in the United States: First, that the Chinese Communists are less subservient to Moscow than the Communist Party elsewhere; Second, that the Communist armies played a considerable role in the resistance to the Japanese.

I am, of course, unqualified to judge the validity of Miss Utley's analyses of the various influences at work in recent Chinese history, but certainly the logic of the situation is clear. Just as the defeat of Germany destroyed the only counterpoise to Russia in Europe, so the defeat of Japan has destroyed the only counterpoise in Asia. The Truman doctrine and the Marshall plan are, in essence, a somewhat belated effort to undo the work of Yalta and to restore the equilibrium to Europe. The only possibility of a counterpoise in Asia is a strong and independent China. This possibility will endure no longer than the magnificent patience of Chiang Kai-shek; for Miss Utley believes that if Chiang would agree to break with America Stalin would offer him an alliance and order the Communist armies to disband.